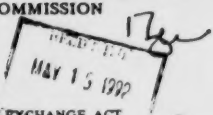
D 8580
Q 36573

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D. C. 20549
FORM 10-Q



17

(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

H 92-2259

For the quarterly period ended March 31, 1992

OR

___ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____

Commission file number 0-12508

S&T BANCORP, INC.
(Exact name of registrant as specified in its charter)

Pennsylvania	25-1434426
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
800 Philadelphia Street, Indiana, PA	15701
(Address of principal executive offices)	(Zip Code)

(412) 349-2900
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ____

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common Stock, $2.50 Par Value -- 2,795,335 shares as of May 14, 1992

PROCESSED BY
17-15-V
MAY 18 1992

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

BEST COPY AVAILABLE

INDEX

S&T BANCORP, INC. AND SUBSIDIARIES

PART I. FINANCIAL INFORMATION	Page No.
Item 1. Financial Statements	
Condensed consolidated balance sheets – March 31, 1992 and December 31, 1991	3
Condensed consolidated statements of income – Three months ended March 31, 1992 and 1991	4
Condensed consolidated statements of cash flows – Three months ended March 31, 1992 and 1991	5
Notes to condensed consolidated financial statements	6–9
Item 2. Management's discussion and analysis of financial condition and results of operations	10–13
PART II. OTHER INFORMATION	
Item 6. Exhibits and Reports on Form 8–K	14
SIGNATURES	15

PART I. FINANCIAL INFORMATION

S&T BANCORP, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31 1992	December 31 1991
	(000's omitted except pershare data)	
Assets		
Cash and due from banks	$26,799	$26,191
Interest-earning deposits with banks	9,994	28,926
Federal funds sold	4,600	5,000
Investment securities (market value $385,770 in 1992 and $385,996 in 1991)	369,316	361,450
Loans	629,194	618,330
Unearned income	(118)	(157)
Allowance for loan losses	(9,409)	(9,321)
Net Loans	619,667	608,852
Premises and equipment	11,212	11,062
Other assets	20,084	18,686
Total Assets	$1,061,672	$1,060,167
Liabilities		
Deposits		
Noninterest-bearing demand	$76,539	$78,827
Interest-bearing demand	88,671	81,434
Money market	115,429	102,769
Savings	141,846	128,566
Time	498,917	518,180
Total Deposits	921,402	909,776
Federal Funds Purchased		7,000
Securities sold under repurchase agreements	28,225	33,005
Other borrowed funds	1,548	1,600
Other liabilities	10,139	10,411
Total Liabilities	961,314	961,792
Shareholders' Equity		
Common stock ($2.50 par value)		
Authorized - 15,000,000		
Issued - 2,955,236	7,388	7,388
Surplus	31,066	31,066
Undivided profits	69,559	67,588
Treasury stock (163,316 shares in 1992 and 162,176 shares in 1991 at cost)	(6,107)	(6,067)
Deferred compensation	(1,548)	(1,600)
Total Shareholders' Equity	100,358	98,375
Total Liabilities and Shareholders' Equity	$1,061,672	$1,060,167

See Notes to Condensed Consolidated Financial Statements

S&T BANCORP, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three months ended March 31	
	1992	1991
Interest Income		
Loans, including fees	$14,935	$14,489
Deposits with banks	268	271
Federal funds sold	59	840
Investment securities		
Taxable	6,055	2,451
Tax-exempt	642	708
Dividends	203	189
Total Interest Income	22,162	18,948
Interest Expense		
Deposits		
Interest-bearing demand	805	636
Money market	1,088	923
Savings	1,323	1,080
Time	8,214	7,338
Federal Funds Purchased	19	
Securities sold under repurchase agreements	350	591
Other borrowed funds	23	39
Total Interest Expense	11,822	10,607
Net Interest Income	10,340	8,341
Provision for loan losses	645	1,000
Net Interest Income After Provision for Loan Losses	9,694	7,341
Noninterest Income		
Service charges on deposit accounts	457	384
Trust department	418	350
Other	358	345
Total Noninterest Income	1,233	1,079
Noninterest Expense		
Salaries and employee benefits	3,534	2,941
Occupancy expense, net	457	312
Furniture & equipment expense	474	335
Other taxes	204	195
Data processing	454	326
Amortization of intangibles	90	3
FDIC assessment	484	326
Other	1,385	981
Total Noninterest Expense	7,082	5,419
Income Before Income Taxes	3,845	3,001
Applicable income taxes	897	335
Net Income	$2,948	$2,666
Per Common Share		
Earnings	$1.06	$0.95
Dividends declared	$0.35	$0.35
Average Common Shares Outstanding	2,792,037	2,809,690

See Notes to Condensed Consolidated Financial Statements

S&T BANCORP, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31	
	1992	1991
	(000's omitted)	
Operating Activities		
Net Income	$2,948	$2,666
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	645	1,000
Provision for depreciation and amortization	424	222
Net amortizaton of investment security premiums	530	106
Net accretion of loan and deposit discounts	(331)	
Deferred income taxes	237	(215)
Realized investment security gains	(27)	(165)
Unrealized investment security losses		75
Increase in interest receivable	(842)	(179)
Decrease in interest payable	(170)	(473)
Increase in other assets	(991)	(202)
(Decrease) increase in other liabilities	(23)	1,046
Other		44
Net Cash Provided by Operating Activities	2,400	3,925
Investing Activities		
Net redemption of interest-earning deposits with banks	18,932	
Net decrease (increase) in federal funds sold	400	(8,350)
Proceeds from sales and maturities of investment securities	8,641	9,888
Purchases of investment securities	(17,009)	(13,113)
Net (increase) decrease in loans	(11,180)	2,685
Purchases of premises and equipment	(456)	(215)
Net Cash Used by Investing Activities	(672)	(9,105)
Financing Activities		
Net increase (decrease) in demand, NOW and savings deposits	29,790	(4,172)
Net (decrease) increase in certificates of deposit	(18,113)	1,951
Net decrease in Federal Funds purchased	(7,000)	
Net decrease in repurchase agreements	(4,780)	(2,126)
Acquisition of treasury stock	(40)	(285)
Cash dividends paid to shareholders	(977)	(985)
Net Cash Used by Financing Activities	(1,120)	(5,617)
Increase (decrease) in Cash and Cash Equivalents	608	(10,797)
Cash and Cash Equivalents at Beginning of Period	26,191	34,199
Cash and Cash Equivalents at End of Period	$26,799	$23,402

See Notes to Condensed Consolidated Financial Statements

S&T BANCORP, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 31, 1992

NOTE A--BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three month period ended March 31, 1992 are not necessarily indicative of the results that may be expected for the year ending December 31, 1992. For further information, refer to the consolidated financial statements and footnotes thereto included in the annual report on Form 10-K for the year ended December 31, 1991.

Earnings per common share are based on the average number of shares of common stock outstanding during the periods presented.

NOTE B--INVESTMENT SECURITIES

The amortized cost (book value) and estimated market value of investments were as follows:

	March 31, 1992			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
		(000's omitted)		
Debt Securities:				
U.S. Treasury securities and obligations of U.S. government corporations and agencies	$250,024	$3,516	($984)	$252,556
Collateralized Mortgage Obligations of U.S. government coporations and agencies	64,293	1,248	(267)	65,274
Obligations of states and political subdivisions	37,151	1,003	(194)	37,960
Corporate securities	11,567	332	(35)	11,864
	363,035	6,099	(1,480)	367,654
Marketable equity securities	5,933	11,948	(113)	17,768
Other securities	348			348
Total	$369,316	$18,047	($1,593)	$385,770

The amortized cost (book value) and estimated market value of investments as of:

	December 31, 1991			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
	(000's omitted)			
Debt Securities:				
U.S. Treasury securities and obligations of U.S. government corporations and agencies	$241,455	$8,647	$0	$250,102
Collateralized Mortgage Obligations of U.S. government corporations and agencies	64,325	3,503		67,828
Obligations of states and political subdivisions	37,014	1,094	(80)	38,028
Corporate securities	11,809	522	(22)	12,309
	354,603	13,766	(102)	368,267
Marketable equity securities	5,838	11,004	(122)	16,720
Other securities	1009			1,009
Total	$361,450	$24,770	($224)	$385,996

There were $27,034 in realized gains in 1992 relating to marketable equity securities. There were no debt securities sold prior to maturity during 1992 or 1991.

At March 31, 1992 and December 31, 1991 investment securities with a principal amount of $79,995,000 and $70,841,000, respectively, were pledged to secure repurchase agreements and public and trust fund deposits.

The amortized cost and estimated market value of debt securities at March 31, 1992, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Estimated Market Value
	(000's omitted)	
Due in one year or less	$49,316	$49,929
Due after one year through five years	181,426	184,713
Due after five years through ten years	124,081	124,810
Due after ten years	8,212	8,202
Total	$363,035	$367,654

NOTE C--LOANS AND ALLOWANCE FOR LOAN LOSSES

The composition of the loan portfolio was as follows:

	March 31, 1992	December 31, 1991
	(000's omitted)	
Real estate – construction	$2,744	$2,768
Real estate – mortgages:		
Residential	243,325	240,195
Commercial	73,337	58,375
Commercial – industrial and agricultural	189,194	192,991
Consumer installment	119,847	123,238
Other	747	763
Total Loans	$629,194	$618,330

Changes in the allowance for loan losses for the three months ended March 31 were as follows:

	1992	1991
	(000's omitted)	
Balance at beginning of period	$9,321	$8,878
Charge-offs	(654)	(849)
Recoveries	97	39
Net charge-offs	(557)	(810)
Provision for loan losses	645	1,000
Balance at end of period	$9,409	$9,068

NOTE D--FINANCIAL INSTRUMENTS

S&T, in the normal course of business, commits to extend credit and issue standby letters of credit. The obligations are not recorded in S&T's financial statements. Loan commitments and standby letters of credit are subject to S&T's normal credit underwriting policies and procedures and generally require collateral based upon management's evaluation of each customer's financial condition and ability to satisfy completely the terms of the agreement. S&T's exposure to credit loss in the event the customer does not satisfy the terms of agreement equals the notional amount of the obligation less the value of any collateral. Unfunded loan commitments totaled $101,035,000 and obligations under standby letters of credit totaled $13,748,000 at March 31, 1992.

NOTE E – LIGIGATION

S&T, in the normal course of business, is subject to various legal proceedings in which claims for monetary damages are asserted. No material losses are anticipated by management as a result of these legal proceedings.

NOTE F -- SUBSEQUENT EVENT

On April 10, 1992 S&T Bank completed the sale of two branch offices originally acquired in the Vanguard Savings, FSB acquisition. The sale included $13.8 million of deposits and $79,000 of land buildings and equipment. Loans included in the transaction totaled $45,000 and only included those loans associated with a sold deposit account. A gain of $355,000 was recognized from the sale.

S&T BANCORP, INC. AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is presented so that shareholders may review in further detail the financial condition and results of operations of S&T Bancorp, Inc. and subsidiaries (S&T). This discussion and analysis should be read in conjunction with the condensed consolidated financial statements and the selected financial data presented elsewhere in this report. References to assets and liabilities and changes thereto represent daily average balances for the periods discussed.

Financial Condition

In the first three months of 1992 average earning assets increased $150.6 million over the 1991 average. This increase was funded by increases in deposits and by funds provided from earnings retained. Approximately $144.3 million of the increase in earning assets is related to the acquisition of Vanguard Savings Bank, FSB (Vanguard) and three branches of Atlantic Financial, FA (Atlantic). Both of these institutions were in conservatorship and acquired from the Resolution Trust Corporation (RTC) on July 5, 1991 and November 15, 1991, respectively. The principal uses of the deposit increases resulting from these acquisitions, as well as additional funds generated from maturing investment securities, were to fund the purchase of investment securities and select loan assets of Vanguard. Average taxable investment securities increased $161.2 million over the 1991 average. The increase was principally comprised of $81.3 million in U.S. Treasury notes, $77.8 million in U.S. Government agency securities and collateralized mortgage obligations, primarily Federal National Mortgage Association issues and $2.1 million in corporate securities. Average loans increased $26.9 million over the 1991 average. The increase is mainly attributable to the net loans acquired in the Vanguard acquisition and a slight increase in loan growth. Changes in the composition of the loan portfolio during the first three months of 1992 included increases of $16.6 million in mortgage loans and $16.4 million in commercial loans. Offsetting these increases was a $6.1 million decrease in installment loans due to lower demand for auto loans, and from customers refinancing and consolidating installment debt with home equity and mortgage loan refinancing. Average balances of federal funds sold and balances with banks decreased $33.9 million and $7.1 million, respectively from 1991 averages. Increased liquidity from acquired core deposits facilitated this investment portfolio shift to longer term, higher yielding securities. At March 31, 1992, S&T's liquidity ratio was 38%, substantially above the minimum regulatory guideline of 20%.

The average balance of nonearning assets, which consists of cash and due from banks, premises and equipment, other real estate owned (OREO) and other assets increased $0.2 million over the 1991 average. The average balance in cash and due from banks decreased $1.9 million during the first three months of 1992 as a result of a reduction in our required reserves due to a change by the Federal Reserve in the formula used to calculate required reserves for nonpersonal time deposits. The balance in premises and equipment increased $1.1 million over the 1991 average principally due to assets purchased in the Vanguard and Atlantic acquisitions. The balance in other assets increased $0.9 million during the period, principally a result of the increased accrued interest receivable on a larger earning asset base.

The balance in the allowance for loan lossses was $9.4 million at March 31, 1992, a $0.1 million increase from $9.3 million at December 31, 1991. At March 31, 1992 total loans on nonperforming status were $4.2 million or .66%, compared to $5.1 million or .82% of gross loans at December 31, 1991. The balance in the allowance for loan losses was 1.50% of gross loans at March 31, 1991, the same level as December 31, 1991. At March 31, 1992 the allowance for loan losses was 226.2% of nonperforming loans compared to 183.0% at December 31, 1991. Based upon continual evaluation of loan quality, assessment of risk characteristics and information and facts known currently, management believes the allowance for loan losses is adequate to absorb probable loan losses. However, management cannot predict the risks and uncertainties of future economic conditions and therefore cannot determine the future adequacy of the allowance for loan losses with total certainty.

For the three months ended March 31, 1992 average total deposits increased $145.8 million over the 1991 average. This increase is comprised of a $83.8 million increase in time deposits, $23.5 million in money market accounts, $24.3 million in savings accounts and a $16.9 million increase in demand deposits, offset by a $2.7 million decrease in securities sold under repurchase agreements. Approximately $144.3 million of the increase is attributable to the Vanguard and Atlantic deposits assumed.

At March 31, 1992 S&T's leverage ratio of total equity to total assets and allowance for loan losses, one measure of capital adequacy, was 9.4%; the 1992 regulatory minimum guideline leverage ratio is 3.0%. S&T's risk based capital Tier I and Tier II ratios were 15.76% and 17.00% respectively at March 31, 1992, which places S&T well above the Federal Reserve Board's new risk based capital guidelines of 4.0% and 8.0%, respectively. In addition, S&T recently applied for membership with the Federal Home Loan Bank, which, when approved, will give S&T a low cost source of funds for liquidity and potential opportunities for increased equity leverage. During the first three months of 1992, S&T acquired 1,140 treasury shares. The program to acquire up to 150,000 treasury shares at up to current book value per share began in September 1990 with 34,509 total shares acquired as of March 31, 1992 for a total cost of $1.1 million. The FDIC's permission for S&T Bank to fund the acquisition of these shares through the payment of dividends to S&T expires in September 1992.

Results of Operations

Three months ended March 31, 1992 compared
to three months ended March 31, 1991

Net income was $2.9 million or $1.06 per share for the quarter ended March 31, 1992 compared to $2.7 million or $0.94 per share for the quarter ended March 31, 1991. The increase in earnings per share was primarily a result of an increase in net income and a 1% reduction in average shares outstanding related to the treasury stock purchase program.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CON'T.)

On a fully taxable equivalent basis, net interest income was $11.0 million for the first quarter of 1992 compared to $9.1 million reported for the first quarter of 1991, and annualized net yield on earning assets declined from 4.73% in the first quarter of 1991 to 4.37% in the same period of 1992. The increase in net interest income is primarily due to the additional leverage and volume provided by the Vanguard and Atlantic acquisitions. The decrease in the net yield on earning assets is principally a result of lower spreads on the assets funded through the Vanguard and Atlantic acquisitions and lower yields from net free funds. Both Vanguard and Atlantic were heavily funded with higher costing time deposits; the majority of these funds will mature and are expected to rollover within one year into lower costing deposits instruments providing a positive effect to the net yield on earning assets and net interest income. Net free funds, primarily consisting of equity and demand deposits less nonearning assets, increased $9.1 million from the 1991 average to $143.2 million. However, benefit to the net yield on earning assets by net free funds is normally reduced in a declining interest rate environment.

The provision for loan losses is an amount added to the allowance for loan losses against which loan losses are charged. The provision for loan losses is based upon an estimate of probable loan losses as determined by management, giving consideration to portfolio risk and economic factors. The first quarter of 1992 provision for loan losses was $0.6 million compared to $1.0 million for the first quarter of 1991. The decline in the provision for loan losses in the first quarter of 1992 was principally a result of management's action in the first quarter of 1991 to substantially increase the allowance for loan losses in anticipation of the general economic decline and potential increases in problem loans, and the improvement in asset quality as measured by the level of nonperforming loans. Loan charge offs were $0.6 million in the first quarter of 1992 compared to $0.8 million the the first quarter of 1991.

Noninterest income increased $0.2 million in the first quarter of 1992 compared to the same period of 1991. The increase is primarily a result of increased income for service charges on deposit accounts and higher trust department income. The 19% increase in service charges on deposit accounts was a result of a higher deposit base as a result of the Vanguard and Atlantic acquisitions, as well as management's continual effort to implement reasonable fees for services performed and to manage closely the collection of these fees. The 19% increase in income from trust services was attributable to a bank wide employee incentive program and expanded marketing efforts designed to develop new trust business.

Noninterest expense increased $1.7 million in the first quarter of 1992 compared to the same period of 1991. The increase is primarily attributable to increases in salaries and benefits, occupancy, furniture and equipment expense, data processing expenses, other expenses and the amortization of intangibles. The increase of 20% in salaries and benefits was principally due to normal salary increases and to staff additions related to the Vanguard and Atlantic acquisitions. The increase in occupancy, furniture and equipment and data processing expenses resulted from expenses related to the 13 branches originally acquired from the Vanguard and Atlantic purchases. Operations and systems integrations for these acquisitions are expected to be completed in the second quarter of 1992; three of the acquired branches were closed and deposits transferred to other S&T branches in the immediate area. Two other branches in operationally remote locations and

outside our preferred marketing area were sold in April, 1992. The increase in other expenses is related principally to a 49% increase in the FDIC insurance premium during 1991. The increase in the amortization of intangibles was a result of goodwill amortization related to the Atlantic acquisition. Premium related to the Atlantic acquisition was $1.7 million and is expected to be amortized over a five year term. There was no remaining premium related to the Vanguard acquisition.

Federal income tax expense increased $0.6 million in the first quarter of 1992 compared to the same period of 1991. The principal reasons for the increase were higher pretax income during the first quarter and a decrease in tax-exempt income due to maturing tax-exempt municipal investments not being replaced. S&T incurred no alternative minimum tax (AMT) for the period. Managements does not expect to incur any AMT in 1992 due to the anticipated maturities of tax-exempt investments and managements plans not to acquire substantial amounts of tax-exempt investments or to significantly increase tax-exempt loans.

ART II

THER INFORMATION

tem 6. Exhibits and Reports on Form 8-K

(a) Exhibits

(28) Press Release

(b) Reports on Form 8-K

None

rsuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused
s report to be signed on its behalf by the undersigned thereunto duly authorized.

S&T Bancorp, Inc.
(Registrant)

ate: May 14, 1992

Robert D. Duggan
President

ate: May 14, 1992

John O. Connell
Controller

ate: May 14, 1992

James C. Miller
Secretary

Exhibit (28)

S&T Bank

PRESS RELEASE

Contact: Jim Barone
412-465-1417

To be Released:
April 21, 1992

S&T Bancorp Reports First Quarter Earnings

Indiana, Pennsylvania - S&T Bancorp, Inc. has reported earnings of $2.9 million for the first quarter of 1992, exceeding earnings for the comparable 1991 period by 10.6 percent. Earnings per share increased to $1.06 versus $0.95 in 1991.

Robert D. Duggan, president and chief executive officer of S&T Bancorp, attributed the strong first quarter earnings to a 23 percent increase in net interest income and a lower loan loss provision. "These increases are primarily the result of income earned on over $200 million in deposits purchased last year from the Resolution Trust Corporation. S&T acquired eight offices of Vanguard Savings Bank in July, 1991 and three offices of Atlantic Financial Savings in November, 1991. These acquisitions increased S&T's market boundaries to include Allegheny, Armstrong and Westmoreland counties."

Total assets at March 31, 1992, were $1.1 billion representing a 29 percent increase over the March 31, 1991 balances. Equity capital exceeded $100 million for the first time and brought S&T's equity/asset ratio to 9.45 percent. Total risk-based capital as of March 31, 1992 was 17 percent.

Duggan also added that asset quality as measured by nonperforming loans and nonperforming assets continues to be significantly better than our peers. As of March 31, 1992, nonperforming loans as a percentage of total loans were 0.66 percent. The allowance for loan losses totaled $9.4 million, or 226 percent of nonperforming loans and 1.50 percent of total loans at March 31, 1992.

"While the economic recovery continues to be very slow in our market areas, we are beginning to see some signs of loan growth. During the first quarter, total loans increased approximately $11 million from year end," Duggan said.

The book value of S&T stock increased to $35.95 at March 31, 1992 and the most recent market price is $38.00 per share. Its common stock begins trading today under the symbol STBA on the NASDAQ National Market System.

S&T Bancorp's principal subsidiary, S&T Bank, operates 32 offices in Allegheny, Armstrong, Clearfield, Indiana, Jefferson and Westmoreland counties.

-30-

S&T BANCORP, INC. AND SUBSIDIARIES

SELECTED FINANCIAL DATA

(UNAUDITED)

SUMMARY OF EARNINGS: (000's Omitted)	THREE MONTHS ENDED MARCH 31, 1992	MARCH 31, 1991
Interest Income	$22,162	$18,948
Interest Expense	11,822	10,607
Net Interest Income	10,340	8,341
Provision for Possible Loan Losses	645	1,000
Net Interest Income after Provision for Possible Loan Losses	9,695	7,341
Other Income	1,232	1,079
Other Expenses	7,082	5,419
Income Before Income Taxes	3,845	3,001
Income Tax Expense	897	335
Net Income	$2,948	$2,666
PER SHARE DATA:		
Earnings per Share	$1.06	$0.95
Dividends per Share	0.35	0.35
Average Shares Outstanding	2,792,037	2,809,690
Book Value per Share Period End	$35.95	$33.09
BALANCE SHEET DATA: (000's Omitted) (Totals at period end)		
Assets	$1,061,672	$820,366
Investment Securities	369,316	159,712
Loans, Net of Unearned Income	629,076	560,097
Allowance for Possible Loan Losses	9,409	9,068
Deposits/Repos	949,628	716,665
Shareholder's Equity	100,358	92,780
SIGNIFICANT RATIOS:		
Return on Average Assets*	1.13 %	1.31 %
Return on Average Equity*	11.96	11.68
Shareholder's Equity as a % of Period-End Assets	9.45	11.31
Total Risk Based Capital (1992 Guidelines)	17.00	17.35
Allowance for Loan Losses as a % of Net Loans	1.50	1.62
Net Chargeoffs as a % of Average Loans*	0.36	0.59
Nonperforming Loans as a % of Total Loans	0.66	1.14

* Annualized

Note: Included in the 1992 totals are the acquisition effects of Vanguard Savings Bank, FSB (Vanguard) on July 5, 1991 and three branches of Atlantic Financial, FA (Atlantic) on November 15, 1991. Both of these institutions were in conservatorship and acquired from the Resolution Trust Corporation. Total deposits acquired from Vanguard were $112.2 million and Atlantic deposits totaled $99.6 million.